(b) to (d) The Statewise|areawise growth of industrial production and exports is not maintained.

Joint Venture proposal pending witr Government

1554. SHRI DILIP SINGH JUDEV: Will the PRIME MINISTER be pleased to state:

(a) the number of Joint venture proposals pending with Union Government for setting up new industrial units in Madhya Pradesh, District-wise;

(b) the total amount involved in these proposals;

(c) the number of employment opportunities likely to be generated therefrom particularly in the tribal areas;

(d) by when they are likely to be cleared; and

(e) the total foreign exchange likely to be earned from the joint venture?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRIMATI KRISHNA SAHI): (a) to (c) As on 1.3.95. nine joint venture proposals, involving foreign/NRI investment to the tune of Rs. 186.95 crores in projects to be located in M.P. are pending with the Government for approval. District-wise statistics and employment data are not centrally maintained.

(d) Receipt and Clearance of foreign investment proposals is a continuous process. No fixed time schedule can, therefore, be indicated in this regard. However, the normal aproval time for Govt. clearance is six weeks

(e) These proposals envisage foreign exchange earning to the extent of Rs. 57.13 crores.

Manufacture of items by MNCs beyond licenced capacity

1555. SHRI O. P. KOHLI: Will the PRIME MINISTER be pleased to state:

(a) whether tooth paste, tooth powder, tooth bruth etc. are exclusively reserved for the small scale industry;

(b) if so, the details thereof;

(c) whether multinational companies have been manufacturing these products much beyond the licenced capacity;

(d) whether the multinational companies obtained stay orders in early 80s against taking no action against them for producing more in quantity;

(e) whether the stay orders have been continuing unabatedly from the 80s to the detriment of the small scale industry;

(f) whether Government have failed to protect the interests of the small scale industry at the hands of the multinational companies;

(g) if so, the reasons for not getting the stay orders vacated so far, giving the details of the stay orders in operation and the names of the companies that obtained such stay orders; and

(h) the details of the items which are reserved for small scale industry and are being produced much in excess of the licenced capacity by the multinational companies?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRIMATI KRISHNA SAHI): (a) and (b) Yes, Sir. The items tooth paste, tooth powder and tooth brush fall within the 836 items presently reserved for exclusive manufacture in the small scale sector.

(c) Some of the medium/large scale undertakings including multinationals are reported to be manufacturing tooth paste and tooth powder

excess of their licensed capactiy. There are however, no reports of excess production as far as tooth brush is concerned.

(d) to (g) In 1985, tt was decided to launch prosecution proceeding against M/s. Colgate Palmolive (I) Ltd. for violating the provisions of I(D&R) Act, 1951 by having effected substantial expansion for the manufacture of tooth paste and tooth powder and thus encroaching the area reserved for small scale sector. The company, however, obtained stay order from Delhi High Court seeking to restrain the Government from proceeding against them. Due to inordinate delay in the disposal of the case, the Government made an application in the Delhi High Court for an early hearing of the case, which started w.e.f. 9-4-91. As agreed by both the parties the Divisional Bench of the Delhi High Court in its Order dated 11-4-91 allowed M|s. Colgate Palmolive (I) Ltd. to implead themselves in similar case of M/s. PCA Engineers Ltd. for some other item then pending before the Supreme Court. An pplication for early vacation of stay in the case of M/s. Colcate Palmolive (I) Ltd. was again filed by Government before Delhi High Court in November, 1992 which came up for hearing on 9-2-93. The application for vacation of stay was dismissed by the High Court and the matter was adjourned sine die till the appeals/SLPs pending in the Supreme Court are decided. The matter is being pursued through Central Government Advocate to expedite disposal of the case in the Supreme Court.

As far as protecting the interest of the small scale sector is concerned, it is submitted that the organised sector units are not granted approval for creation of fresh capacity for the manufacture of items reserved for small scale sector without the prescribed export obligation of a minimum of 75 per cent of production of such items.

(h) Occassional complaints are received from small scale units and their Associations, that some of the medium/large scale undertakings including multinationals are manufacturing reserved items in excess of their licensed capacity. Some of these items are bread, biscuits, barium carbonate etc. apart from tooth paste and tooth powder.

Foreign companies gaining share acquisition

1556. PROF. VIJAY KUMAR MALHOTRA: Will the PRIME MINISTER be pleased to state:

(a) the details of the foreign companies that have gained market shares acquisitions in the country and the ones that are gaining shares and acquisitions;

(b) the effect of these on the Indian industries; and

(c) how far these foreign companies proved helpful to the people of the country?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRIMATI KRISHNA SAHI): (a) During the post policy period (i.e. 1-8-91 to 31-1-95) approvals have been granted to 222 companies for increase in foreign equity shareholding in existing companies either by acquiring of additional shares or purchase of existing shares.

(b) Over the years, Indian industry has developed its own resilence and strength and is capable of a more dynamic relationship with foreign industry so as to exploit global marketing and export opportunities, emerging managerial techniques and technologies as also to become internationally competitive.

(c) Entry of foreign companies creates competition among manufacturers and results in efficiency, cost control, improved designs, quality assurance, product upgradation and better after sale service to the consumers. Besides, foreign investment provides access to international markets, upgrades technical/managerial skills and catalyses international competitiveness.